

1953

ANNUAL REPORT

G. C. MURPHY CO.

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ANNUAL MEETING

The Annual Meeting of Common Shareholders will be held at the registered office of the Corporation, 531 Fifth Avenue, McKeesport, Pennsylvania, at 11:00 A. M. on Tuesday, April 13, 1954.

Notice of meeting, proxy statement, proxy and return envelope are enclosed with this report. Shareholders who cannot attend the meeting are urged to exercise their right to vote by proxy, and to sign and return the enclosed proxy card.



PAUL LINDSAY SAMPLE

President—January 1, 1947 to December 8, 1953

Paul Lindsay Sample died on December 8, 1953 at his home in McKeesport, Pennsylvania. He started as a stock room employee in 1919 and by diligent service and untiring effort progressed through more responsible positions to become President of the Company on January 1, 1947. His friendly guidance, sincere desire to serve and genuine interest in his fellow-workers will remain as an inspiration and an example.

PRESIDENT

At a special meeting of the Board of Directors held on December 14, 1953 James S. Mack was elected President of G. C. Murphy Company and Mack Realty Company.

Mr. Mack, son of the late John Sephus Mack who was Chairman of the Board and President of the Murphy Company from 1912 until his death in 1940, started in the variety store business by working in the stores during school vacations. In July 1936, after his graduation from Harvard School of Business Administration, he was employed by the Company in the Construction Department. From then until his election as Vice President of Real Estate and Construction in 1945 he served as construction supervisor, member of the Real Estate Department and as assistant manager, manager and district manager of stores.

In 1946 he became Vice President of Finance, Real Estate and Office Management, and Treasurer of Murphy Company and Mack Realty Company.

When the Morris stores were acquired in October 1951, Mr. Mack was elected Presi-



JAMES S. MACK

dent, and Chairman of the Board of the John A. Morris Company.

He has served continuously as a Director of the Murphy Company since 1940, of the Mack Realty Company since 1946, and of the Morris and John A. Morris companies since their acquisition in 1951.

OTHER CHANGES IN MANAGEMENT

Other management changes, which became effective December 14, 1953, in G. C. Murphy Company included the election of Carl F. Schatz, former Auditor and Assistant Treasurer, to the office of Treasurer; Frank G. Crispen, formerly assistant to Mr. Mack, to the position of Auditor and Assistant Treasurer and Porter D. Albert to the office of Merchandise Investment Controller.

Walter C. Shaw, Chairman of the Board of Directors of G. C. Murphy Company, was elected a Director of Morris 5 & 10 Cent to \$1.00 Stores and Chairman of the Board of that company and of Mack Realty Company. Earl F. McClune was elected Vice President of Mack Realty Company and continues to serve as Director and Assistant Secretary of G. C. Murphy and Mack Realty Companies.

HIGHLIGHTS

	1953	1952
SALES	\$187 163 824	\$184 065 449
AVERAGE SALES PER STORE	\$625 966	\$623 950
EMPLOYEES' COMPENSATION AND OTHER BENEFITS	\$35 918 658	\$34 617 458
EARNINGS BEFORE FEDERAL TAXES ON INCOME	\$16 896 414	\$15 329 853
NET EARNINGS	\$7 971 414	\$7 267 853
EARNINGS PER SHARE OF COMMON STOCK OUTSTANDING	\$3.54	\$3.21
DIVIDENDS PER SHARE OF COMMON STOCK OUTSTANDING	\$2.00	\$2.00
TAXES PER SHARE OF COMMON STOCK OUTSTANDING	\$5.23	\$4.80
ADDITIONS TO PROPERTY AND EQUIPMENT	\$3 877 268	\$5 028 443
WORKING CAPITAL	\$37 141 993	\$34 085 522
CURRENT RATIO	2.97 to 1	2.90 to 1

G. C. MURPHY COMPANY

Limited Price Variety Stores

McKEESPORT, PENNSYLVANIA

March 2, 1954

To Our Shareholders and Co-Workers:

We are pleased to report that both sales and earnings for 1953 exceeded those of the preceding year. The sales increase of \$3,098,375 was primarily achieved through increased production in existing units, as three of the four new stores added during 1953 were opened between October 23 and December 11.

Net earnings after all taxes were \$7,971,414, equal to \$3.54 a share of Common Stock, compared with \$3.21 for 1952. This was the result of the splendid teamwork of our suppliers, transportation agencies, and fellow-workers.

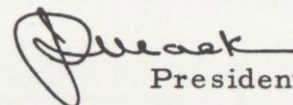
The physical conversion of Morris stores to Murphy standards has been completed, as anticipated in our previous year's report. Consistent progress is being made in further coordinating their operation.

Working capital was increased \$3,056,471, with year end merchandise inventories \$1,182,062 less than those of the previous year. This will permit maximum flexibility in following trends in the current year.

We deeply appreciate the interest and confidence of our shareholders, and look forward to your letters of suggestion and comment.

Sincerely yours,

W. C. Shaw
Chairman of the Board


President

SALES

Increasing for the fifteenth consecutive year, sales reached a new record of \$187,163,824, an improvement of \$3,098,375 or 1.7% over the previous year. Average sales per store for the 299 units in operation at the end of the year moved upward to \$625,966.

Expanded sales promotion activities placed additional emphasis on radio and television as advertising media. The current Murphy program on Pittsburgh television station WDTV on week days is receiving favorable customer reaction in the 77 store area it covers.

EARNINGS

Earnings before federal taxes increased in 1953 to \$16,896,414 from \$15,329,853 in 1952.

Net earnings after all taxes were \$7,971,414, equal to \$3.54 per share of Common Stock outstanding. For the previous year, net earnings were \$7,267,853 or \$3.21 per share.

DIVIDENDS

Common shareholders received total dividends of \$4,259,031 which was \$2.00 per share on the outstanding Common Stock. Quarterly payments of 37½c per share were continued during the year and an extra of 50c was paid in December.

With \$427,514 dividends on the 4¾% Preferred Stock, total dividends of \$4,686,545 were distributed in 1953 to shareholders, numbering 8,450 at the year end, in all but three of the states and the District of Columbia, Hawaii and Canada.

PROGRESSIVE SALES GROWTH

1953	299	STORES	Annual Sales	\$187,163,824
1952	295			\$184,065,449
1951	294			\$168,897,669
1950	219			\$150,507,468
1949	218			\$141,310,518
1948	210			\$137,564,415
1947	209			\$119,358,580
1946	209			\$110,327,508
1945	209			\$ 95,905,410
1944	207			\$ 88,936,595

TAXES

The amount of \$11,126,798 for all taxes, except those paid as rent, was the second highest in the Company's history and was equal to \$5.23 per share on the outstanding Common Stock. Taxes of \$7,793,450 collected from customers and withheld from employees for federal, state and local governments set a new record. Several new state and local levies were enacted during the year adding to the already disproportionate share of tax collection and recording costs which the Company and other retailers must absorb.

PROPERTY AND EQUIPMENT

Additions of \$3,877,268 during the year increased the investment in property and equipment to \$55,604,830 at December 31, 1953.

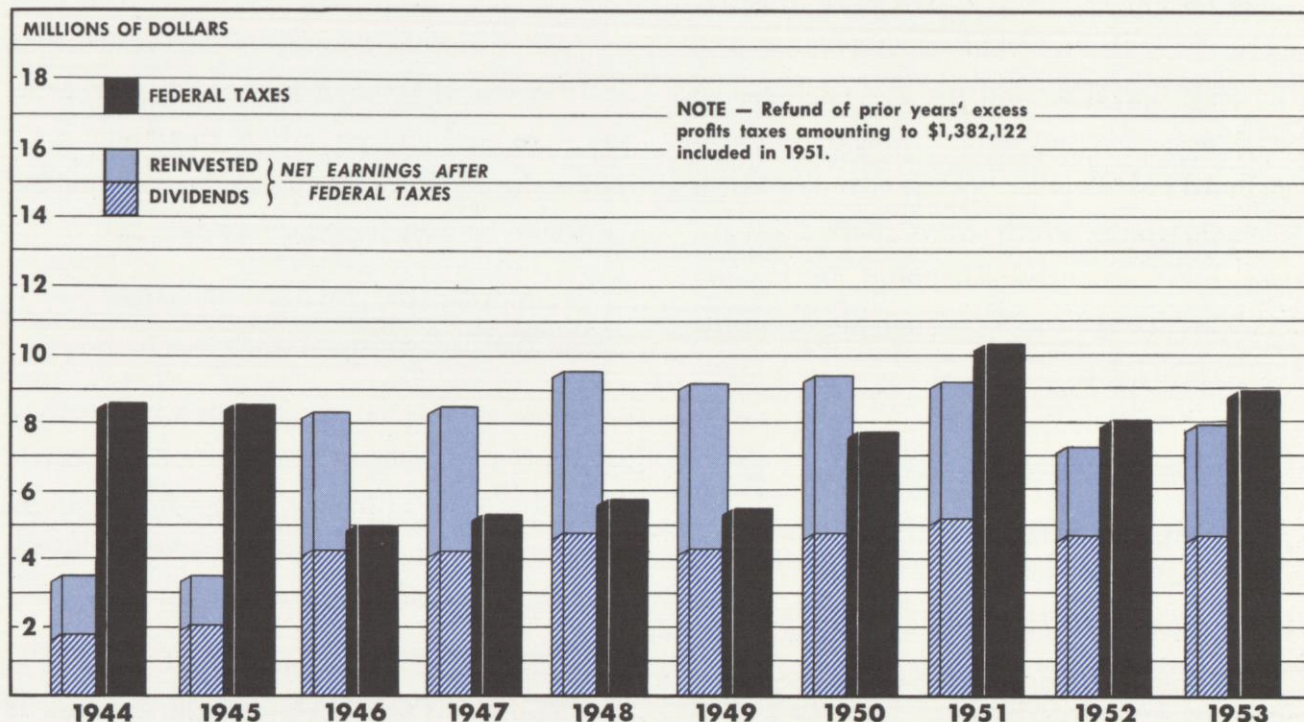
Emphasis continued on enlargement and improvement of present locations, with further development of space-saving equipment.

Four new stores opened during the year included one in Donora, Pa. and three in shopping centers in Dundalk, Md., Washington (Wisconsin Avenue), D.C. and Willow Grove, the first in the Philadelphia, Pa. area.

Stores in Farrell and Mount Union, Pa. were moved to new and larger locations. Additions were completed in Gettysburg and Irwin, Pa.; Hillsboro and Lebanon, Ohio and Coldwater, Mich. More sales area was provided for stores in Clearfield, Indiana and Sharon, Pa.; Hartford City and Indianapolis (Broad Ripple Avenue), Ind. and Hancock, Md.

Air conditioning equipment was installed in three stores and stock room facilities were

DISTRIBUTION OF EARNINGS



enlarged or improved at three locations. Space-saving counters to expedite self selection by customers were installed in five stores.

The physical conversion of Morris stores to Murphy standards was completed in 1953.

Purchases were made of additional property for store expansion in Linton, Ind.; of one of the properties at the present location in Nazareth, Pa. and of land for stock room expansion in Irwin, Pa.

Leases were concluded for new locations in shopping centers in Lemoyne and Natrona Heights, Pa. and for future expansion in Crawfordsville, Indianapolis (Fountain Square) and Peru, Ind.; Toledo and Youngstown (Mahoning Avenue), Ohio and Uniontown, Pa. Additional area was leased to improve store service in Swissvale and Brentwood (Whitehall), Pa.; Baltimore (Harford Road), Md.; Galion, Ohio and Beckley, W. Va.

On December 31 the Morris store in Washington Court House, Ohio was discontinued as a separate operation and the area included in the adjoining Murphy store. Arrangements were concluded in December to close two downtown Baltimore stores which were affected by the trend toward suburban shopping. In January 1954 leases on the one location expired and the other was sub-let.

WORKING CAPITAL

Working capital at the year end amounted to \$37,141,993, an increase of \$3,056,471 over the previous year. The total of cash and government securities, \$31,271,623, exceeded all liabilities by \$12,396,988.

Merchandise inventories at December 31 were \$24,677,846, a reduction of \$1,182,062 from those at the end of 1952, facilitating prompt adjustment of stocks to economic trends.

The ratio of current assets to current liabilities was 2.97 to 1 as compared with 2.90 to 1 at December 31, 1952. Current assets were \$55,949,469 at the end of 1953 with current liabilities of \$18,807,476.

PERSONNEL AND COMMUNITY RELATIONS

Employees' compensation and the cost of various benefits, including the Retirement Plan, amounted to \$35,918,658 in 1953. The increase of \$1,301,200 over 1952 resulted from additional personnel in new and enlarged stores and from adjustments of wage rates. Employees enjoy liberal sick and accident benefits, vacations, group life insurance coverage and retirement allowances.

The cost of the Employees' Retirement Plan in 1953 was \$1,100,672. During the year, benefits were paid under the Plan to an additional 36 employees, bringing to 181 the total number to whom benefits have been paid.

Employees now serving in the military service of our country number 334.

More than 1,000 suggestions were received through the Company Suggestion System in 1953, resulting in improvements in operations and increased awards for co-workers who are alert to more effective procedures.

Initiation of 82 at the Annual Banquet of the Veterans' Club celebrated the increase to

886 of employees with 15 or more years of continuous service. Appropriate recognition was given at the meeting to 57 persons who in the previous year completed 20 years of employment and 32 others who observed their 25th anniversary with the Company.

Comprehensive training courses for store personnel provide opportunity for self-improvement, and develop better customer service. Salesladies progress through orientation and intermediate courses, on-the-job training and advanced instruction for assignments in buying, display, office and personnel work. Qualified instructors administer these programs at district and store levels.

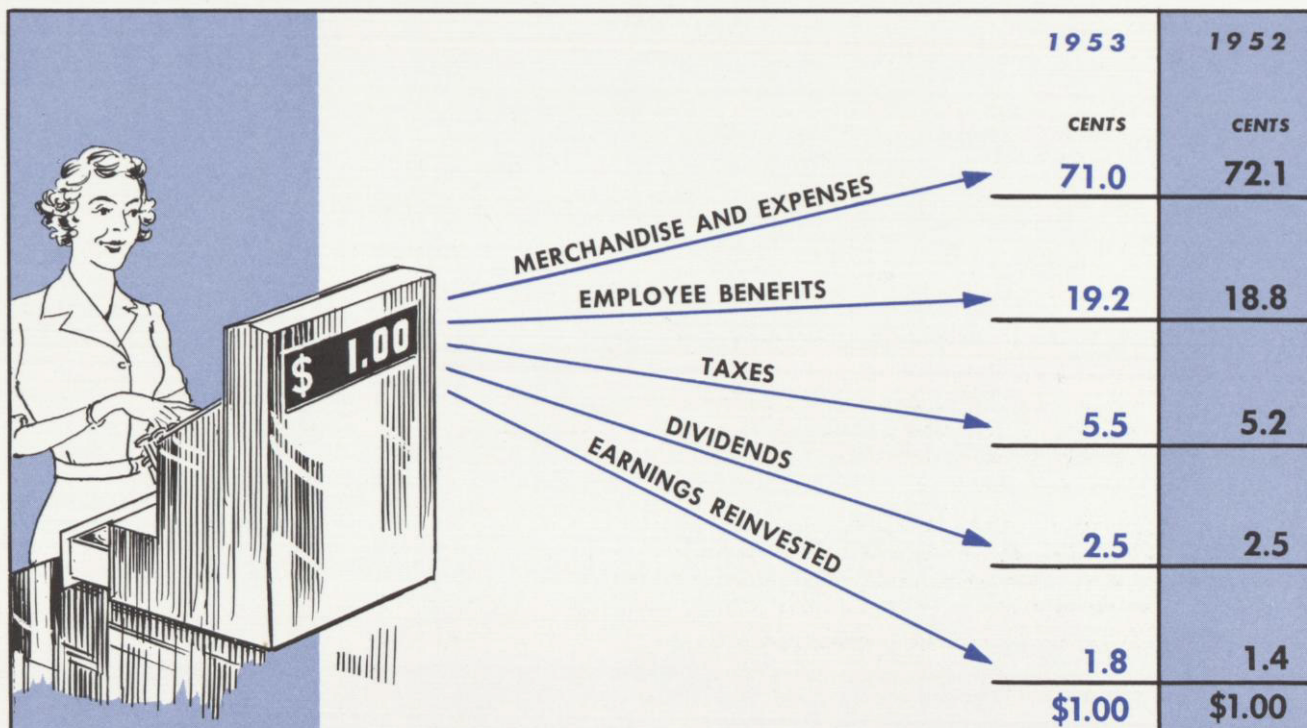
Store managers and assistants participate constructively in local activities for improvement of their respective communities. In addition

to their membership in service clubs and trade groups, many managers assist in the administration of these organizations.

The Company cooperates actively with public school authorities of numerous localities in Distributive Education. Many students who receive their on-the-job training in Murphy stores under such programs join the Company after graduation. This policy benefits directly students interested in the field of retailing.

In 1953 a contribution of \$500,000 was made to the G. C. Murphy Company Foundation. After applicable taxes this expenditure reduced net earnings by only \$90,000. Through this Foundation the Company will be able to meet, with minimum cost to shareholders, many of its future responsibilities to religious, charitable, scientific and educational organizations in communities where it operates.

HERE IS HOW THE SALES DOLLAR WAS USED



CONSOLIDATED

G. C. MURPHY COMPANY and

December 31, 1953 and

ASSETS	1953	1952
Cash.....	\$23 439 017	\$19 725 590
U.S. Government securities, at cost and accrued interest.....	7 832 606	6 479 654
Merchandise inventories, at the lower of cost or market:		
Stores and warehouses.....	21 138 020	22 666 913
In transit.....	3 539 826	3 192 995
Total current assets.....	55 949 469	52 065 152
Property and equipment, at cost:		
Buildings.....	7 725 392	6 993 585
Improvements to leased properties.....	24 542 840	23 161 632
Fixtures and equipment.....	21 804 529	20 051 776
	54 072 761	50 206 993
Less, allowances for depreciation and amortization.....	25 509 763	22 356 711
	28 562 998	27 850 282
Land.....	1 532 069	1 520 569
Total property and equipment.....	30 095 067	29 370 851
Prepaid expenses.....	1 159 864	1 598 663
Miscellaneous accounts receivable and sundry investments.....	543 507	645 053
	\$87 747 907	\$83 679 719

Notes to Financial Statements

(1) The Articles of Incorporation provide that so long as any of the 4¾% Preferred Stock is outstanding, earnings retained in the business amounting to \$10,278,429 are not available for the payment of dividends on the Common Stock.

BALANCE SHEET

WHOLLY-OWNED SUBSIDIARIES

and December 31, 1952

LIABILITIES		1953	1952
Accounts payable, including merchandise in transit.....		\$ 4 133 699	\$ 3 935 504
Taxes withheld or collected.....		787 899	662 525
Dividend on Preferred Stock.....		106 879	106 879
Accrued compensation and other expenses.....		3 572 519	3 882 322
Accrued state, social security and other taxes.....		1 149 063	1 210 434
Provision for federal taxes on income.....		9 015 967	8 141 818
Mortgage installments payable within one year.....		41 450	40 148
Total current liabilities.....		18 807 476	17 979 630
Mortgage installments payable after one year.....		67 159	111 686
Total liabilities.....		18 874 635	18 091 316
CAPITAL			
Preferred Stock, par value \$100 per share:			
Authorized 100,000 shares, issuable in series			
Issued, 4 3/4 % Cumulative Series, 90,000 shares			
(Redeemable at \$105 per share).....		9 000 000	9 000 000
Common Stock, par value \$1 per share:			
Authorized 3,000,000 shares			
Issued 2,129,500 shares.....		2 129 500	2 129 500
Paid-in surplus.....		11 917 891	11 917 891
Earnings retained in the business (Note 1).....		45 825 881	42 541 012
Total capital.....		68 873 272	65 588 403
		\$87 747 907	\$83 679 719

(2) On leases in effect at December 31, 1953, the aggregate annual amount of minimum rentals (including payments made in 1953 for property taxes and insurance, but excluding rental income received from sub-tenants) was \$4,215,000, the major portion of which was for premises under leases extending for more than ten years.

STATEMENT OF CONSOLIDATED EARNINGS

G. C. MURPHY COMPANY and WHOLLY-OWNED SUBSIDIARIES
For the years ended December 31, 1953 and December 31, 1952

	1953	1952
Sales.....	\$187 163 824	\$184 065 449
Cost of goods sold and operating expenses.....	\$164 072 441	\$162 988 973
Provision for depreciation and amortization.....	3 155 520	2 931 478
Taxes, other than federal taxes on income.....	2 201 798	2 157 848
Employees' retirement plan costs.....	1 100 672	861 531
	<u>170 530 431</u>	<u>168 939 830</u>
	16 633 393	15 125 619
Other income, less other deductions.....	263 021	204 234
Earnings before federal taxes on income	<u>16 896 414</u>	<u>15 329 853</u>
Provision for federal taxes on income:		
Normal and surtax.....	8 765 000	7 962 000
Excess profits tax.....	160 000	100 000
	<u>8 925 000</u>	<u>8 062 000</u>
Net earnings for the year.....	<u>7 971 414</u>	<u>7 267 853</u>
Earnings retained in the business, beginning of year	42 541 012	39 959 692
	<u>50 512 426</u>	<u>47 227 545</u>
Deduct, dividends paid or declared:		
4 ¾ % Preferred Stock, \$4.75 per share.....	427 514	427 515
Common Stock, \$2.00 per share.....	4 259 031	4 259 018
	<u>4 686 545</u>	<u>4 686 533</u>
Earnings retained in the business, end of year.....	<u><u>\$ 45 825 881</u></u>	<u><u>\$ 42 541 012</u></u>

AUDITORS' CERTIFICATE

TO THE BOARD OF DIRECTORS, G. C. MURPHY COMPANY:

We have examined the consolidated balance sheet of G. C. Murphy Company and wholly-owned subsidiaries, as of December 31, 1953, and the related statement of consolidated earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statement of earnings present fairly the consolidated financial position of the companies at December 31, 1953, and the consolidated results of operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

LYBRAND, ROSS BROS. & MONTGOMERY

Certified Public Accountants

Pittsburgh, Pa., February 8, 1954

SALES, EARNINGS AND DIVIDENDS

	Sales	Earnings		Per Share Common Stock*		Shares of Common Stock Outstanding†	Number of Stores
		Before Federal Taxes	After Federal Taxes	Earnings	Dividends		
1944	\$ 88 936 595	\$12 168 650	\$3 580 250	\$1.64	\$.75	480 500	207
1945	95 905 410	12 140 615	3 563 615	1.63	.87 ½	480 500	209
1946	110 327 508	13 297 925	8 243 925	4.07	2.00	1 922 000	209
1947	119 358 580	13 909 783	8 589 083	4.25	2.00	1 922 000	209
1948	137 564 415	15 459 831	9 581 331	4.76	2.25	1 922 000	210
1949	141 310 518	14 565 527	9 001 527	4.46	2.00	1 922 000	218
1950	150 507 468	17 178 126	9 416 126	4.68	2.25	1 922 000	219
1951	168 897 669	18 216 129‡	7 779 129‡ 1 382 122	3.45‡ .65	2.37 ½	2 129 500	294
1952	184 065 449	15 329 853	7 267 853	3.21	2.00	2 129 500	295
1953	187 163 824	16 896 414	7 971 414	3.54	2.00	2 129 500	299

* Amounts for 1944 and 1945 based on 1,922,000 shares outstanding after the stock split in 1946. Earnings for 1946 and following years based on number of shares outstanding at the end of respective years.

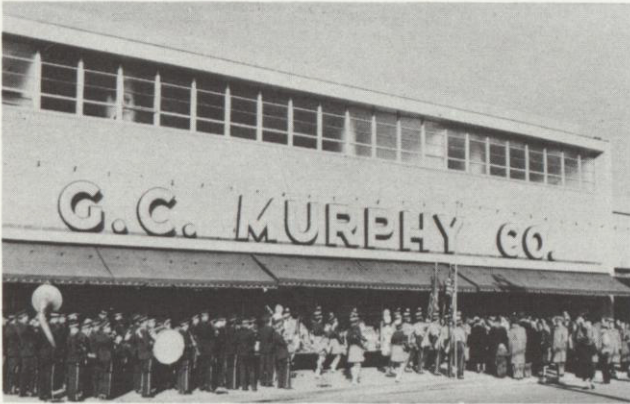
† On February 26, 1946 the outstanding shares were split four for one. On October 30, 1951, 207,500 shares were issued in the acquisition of Morris 5 & 10 Cent to \$1.00 Stores, Incorporated.

‡ Exclusive of a refund of excess profits taxes for the years 1940 through 1945 shown separately.

RECORD OF PROGRESS

Year	Number of Stores	Sales	% Gain or Loss Over Previous Year	Average Yearly Sales per Store
1906	3	\$ 196 150		\$ 65 383
1907	5	297 741	51.7	59 548
1908	6	250 867	-15.7	41 811
1909	10	230 453	- 8.1	23 045
1910	10	262 514	13.9	26 251
1911	12	251 699	- 4.1	20 975
1912	18	370 616	47.2	20 590
1913	23	473 030	27.6	20 567
1914	27	502 474	6.2	18 610
1915	30	602 126	19.8	20 071
1916	32	772 222	28.2	24 132
1917	38	1 032 854	33.8	27 180
1918	42	1 352 519	30.9	32 203
1919	46	1 435 420	6.1	31 205
1920	51	2 051 288	42.9	40 221
1921	60	2 231 523	8.8	37 192
1922	61	2 702 951	21.1	44 311
1923	75	3 950 876	46.2	52 678
1924	85	5 158 501	30.6	60 688
1925	88	6 493 897	25.9	73 794
1926	92	8 567 022	31.9	93 120
1927	113	10 233 508	19.5	90 562
1928	133	12 118 188	18.4	91 114
1929	153	15 726 652	29.8	102 789
1930	166	17 498 023	11.3	105 410
1931	172	19 238 362	9.9	111 851
1932	176	18 532 012	- 3.7	105 296
1933	180	21 884 789	18.1	121 582
1934	186	28 001 013	27.9	150 543
1935	189	31 597 890	12.8	167 185
1936	195	37 995 419	20.2	194 848
1937	200	42 522 253	11.9	212 611
1938	201	42 190 212	- .8	209 902
1939	202	47 284 970	12.1	234 084
1940	204	53 365 581	12.9	261 596
1941	207	63 514 748	19.0	306 835
1942	207	76 987 255	21.2	371 919
1943	207	82 078 319	6.6	396 514
1944	207	88 936 595	8.4	429 645
1945	209	95 905 410	7.8	458 878
1946	209	110 327 508	15.0	527 883
1947	209	119 358 580	8.2	571 094
1948	210	137 564 415	15.3	655 069
1949	218	141 310 518	2.7	648 213
1950	219	150 507 468	6.5	687 249
1951	294	168 897 669	12.2	574 482
1952	295	184 065 449	9.0	623 950
1953	299	187 163 824	1.7	625 966

NEW AND REMODELED STORES OPENED DURING 1953



Above—Store #227 Willow Grove (Philadelphia), Pa. opened on December 11, 1953 with the local high school band and Borough officials participating in the ceremonies.

Right—Store #224 located in the Logan Shopping Center, Dundalk (Baltimore), Md. was opened on October 23, 1953. The area provides free parking for 1500 automobiles.



View from rear entrance showing convenient parking area for customers.



Store #226 was opened in a shopping center in Washington (Wisconsin Avenue), D.C. on November 20, 1953. The addition of this new unit makes a total of four Murphy stores within the city's limits and eight in the metropolitan district.



Store #58 Farrell, Pa. began operations on October 8, 1953 in a new location upon completion of this modern building containing 12,800 square feet of sales area, all on one floor.

STORE LOCATIONS

CONNECTICUT

(5 stores)

Ansonia
Naugatuck
New Canaan
Stamford
Torrington

DISTRICT OF COLUMBIA

(4 stores)

Washington
(4 stores)

ILLINOIS

(12 stores)

Anna
Charleston
De Kalb
Effingham
Fairfield
Flora
Hoopeston
La Grange
Mt. Vernon
Pontiac
Streator
Vandalia

INDIANA

(40 stores)

Alexandria
Aurora
Bluffton
Brazil
Clinton
Columbus
Crawfordsville
Crown Point
Decatur

INDIANA

Elwood
Fort Wayne
Frankfort
Franklin
Goshen
Greencastle
Greensburg
(2 stores)
Hartford City
Huntingburg
Indianapolis
(3 stores)
Kendallville
Linton
Madison
Marion
New Castle
Noblesville
North Manchester
Peru
Plymouth
Portland
Princeton
Rockville
Salem
Seymour
(2 stores)
Shelbyville
Washington
Winchester

KENTUCKY

(4 stores)

Ashland
Maysville
Paintsville
Pikeville

MARYLAND

(18 stores)

Annapolis

MARYLAND

Baltimore
† (10 stores)
Cumberland
Dundalk
Frostburg
Hancock
Rockville
Silver Spring
Westminster

MICHIGAN

(14 stores)

Adrian
Albion
Alma
Alpena
Charlotte
Coldwater
Hillsdale
Ludington
Marshall
Mt. Pleasant
Owosso
St. Joseph
South Haven
Three Rivers

NEW JERSEY

(4 stores)

Ocean City
Washington
Westfield
Wildwood

NEW YORK

(8 stores)

Buffalo
Dansville
Fredonia
Jamestown
Lancaster

NEW YORK

LeRoy
Medina
North Tonawanda

OHIO

(43 stores)

Alliance
Barnesville
Bellaire
Bellefontaine
Bowling Green
Bryan
Bucyrus
Circleville
Defiance
Delphos
Fostoria
Franklin
Galion
Gallipolis
(2 stores)
Greenville
Hillsboro
Jackson
Lebanon
Logan
London
*Marion
Middletown
Napoleon
Piqua
St. Marys
Salem
Sidney
(2 stores)
Tiffin
Toledo
Toronto
Troy
(2 stores)
Urbana

*Stores not yet opened.

†Two of these stores closed in January 1954.

STORE LOCATIONS

OHIO

Van Wert
(2 stores)
Wapakoneta
Washington Court House
‡ (2 stores)
Wilmington
Youngstown
(3 stores)

PENNSYLVANIA

(111 stores)

Aliquippa
Ambridge
Bangor
Barnesboro
Beaver
Beaver Falls
Bedford
Bellefonte
Bellevue
Bethlehem
Blairsville
Brentwood
Brentwood
(Whitehall)
Brookville
Brownsville
Burgettstown
Butler
California
Carnegie
Charleroi
Clairton
Clarion
Clearfield
Connellsville
Corry
Derry
Donora
Dormont

PENNSYLVANIA

Duncannon
Duquesne
East Pittsburgh
Elizabeth
Ellwood City
Erie
(3 stores)
Etna
Everett
Farrell
Ford City
Franklin
Gettysburg
Greensburg
Greenville
Grove City
Hanover
Harrisburg
Hollidaysburg
Huntingdon
Indiana
Irwin
Jeannette
Johnsonburg
Kittanning
Latrobe
Lehighton
*Lemoyne
Lewistown
(2 stores)
Ligonier
*Manoa
McConnellsburg
McDonald
McKeesport
McKees Rocks
Meadville
Mechanicsburg
Mercer
Mercersburg
Meyersdale

PENNSYLVANIA

Midland
Monessen
Mount Joy
Mt. Lebanon
Mt. Oliver
Mount Union
*Natrona Heights
Nazareth
New Bethlehem
New Castle
New Kensington
North East
Oakmont
*Philadelphia
Pitcairn
Pittsburgh
(6 stores)
Punxsutawney
Red Lion
Rochester
St. Marys
Scranton
Sewickley
Sharon
Shippensburg
State College
Swissvale
Tarentum
Titusville
Turtle Creek
Uniontown
Vandergrift
Verona
Warren
Washington
Waynesburg
West Newton
Wilkinsburg
Willow Grove
Wilmerding
York

VIRGINIA

(3 stores)

Alexandria
Arlington
Richmond

WEST VIRGINIA

(33 stores)

Beckley
Buckhannon
Clarksburg
East Rainelle
Elkins
Fairmont
Hinton
Keyser
Logan
(2 stores)
Montgomery
Morgantown
Moundsville
Mullens
Northfork
Oak Hill
Parkersburg
Philippi
Piedmont
Point Pleasant
Princeton
Richwood
Shinnston
Sistersville
South Charleston
Spencer
Weirton
(2 stores)
Welch
Wellsburg
Weston
Wheeling
Williamson

*Stores not yet opened.

‡Murphy and Morris operations consolidated into one store in January 1954.

PERSONNEL TRAINING



A PRIME FACTOR IN SUCCESSFUL RETAIL STORE OPERATION

As advanced assistants approach the time when they may be called upon to take over the duties of store management, they come into the Home Office for a concentrated refresher course on Company policy and procedure.



Above — Trained personnel instructors, working under the supervision of district and division managers, assist store managers in acquiring and training store personnel and maintaining sound employee and public relations.



Below—A major objective is the development of key floor people. Group training in supervisory practices is regularly scheduled to include all stores.

Above—In addition to operational procedures, store managers receive supplemental training on over-all problems of personnel relations.



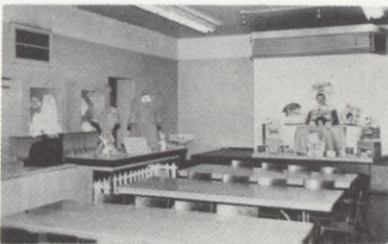
EMPLOYEE AND PUBLIC RELATIONS



Sound community relations begin with a well-planned personnel program in every store.

Stella Robinson is honored by her co-workers at the celebration of her 40th year of service in Store #2 Gallipolis, Ohio. Her fine record is symbolic of the mutual loyalty which has built and maintained the Murphy organization.

These employees were recognized for outstanding service when they were initiated into the G. C. Murphy Company Veterans' Club and honored at the annual get-together.



Promising career opportunities in retailing are offered to high school and college students. The Company cooperates with school authorities to provide actual store equipment and on-the-job experience and to set up "laboratory classes" for instruction in Distributive Education.

G. C. MURPHY COMPANY

Board of Directors

WALTER C. SHAW
JAMES S. MACK
WALTER C. SHAW, JR.

EDGAR L. PAXTON
HAROLD E. CROSBY
KENNETH T. PAXTON

EARL F. MCCLUNE
J. CLARENCE KELLY
THOMAS N. GRIGGS

Officers

WALTER C. SHAW
Chairman of the Board of Directors

JAMES S. MACK
President

WALTER C. SHAW, JR.
Vice President and Sales Manager

EDGAR L. PAXTON
Vice President—Merchandise Division

HAROLD E. CROSBY
Vice President—Construction Division

KENNETH T. PAXTON
Vice President and Personnel Director

CARL F. SCHATZ
Treasurer

WILLIAM S. THOMSON
Secretary

FRANK G. CRISPEN
Auditor and Assistant Treasurer

PORTER D. ALBERT
Merchandise Investment Controller

EARL F. MCCLUNE
Assistant Secretary

HOWARD Q. MILAR
*Assistant to the President
and Assistant Secretary*

MACK REALTY COMPANY

(Real Estate Holding Company)

Board of Directors

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JAMES S. MACK

WALTER C. SHAW, JR.
HAROLD E. CROSBY
WILLIAM S. THOMSON

EARL F. MCCLUNE
CARL F. SCHATZ

Officers

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Chairman of the Board of Directors

JAMES S. MACK
President

HAROLD E. CROSBY
Vice President

EARL F. MCCLUNE
Vice President and Assistant Secretary

CARL F. SCHATZ
Treasurer

WILLIAM S. THOMSON
Secretary

FRANK G. CRISPEN
*Assistant Secretary and
Assistant Treasurer*

MORRIS 5 & 10 CENT TO \$1.00 STORES, INCORPORATED

Board of Directors

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JAMES S. MACK

WALTER C. SHAW, JR.
EDGAR L. PAXTON

FRED AREND
RAY P. BROWN

Officers

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Chairman of the Board of Directors

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President

WALTER C. SHAW, JR.
Vice President—Sales Division

EDGAR L. PAXTON
Vice President—Merchandise Division

CARL F. SCHATZ
Secretary-Treasurer

EARL F. MCCLUNE
Assistant Secretary

FRANK G. CRISPEN
Assistant Treasurer

JOHN A. MORRIS COMPANY

(Manufacturers' Representative)

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WALTER C. SHAW, JR.

EDGAR L. PAXTON

FRED AREND
RAY RENOLLET

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Chairman of the Board of Directors

EDGAR L. PAXTON
President

RAY RENOLLET
Vice President
CARL F. SCHATZ
Secretary-Treasurer

EARL F. MCCLUNE
Assistant Secretary

FRANK G. CRISPEN
Assistant Treasurer

TRANSFER AGENT—Bankers Trust Company, 16 Wall Street, New York 15, New York

REGISTRAR—The Chase National Bank of the City of New York, 11 Broad Street, New York 5, New York

GENERAL COUNSEL—Griggs, Moreland, Blair & Douglass, Oliver Building, Pittsburgh 22, Pennsylvania

AUDITORS—Lybrand, Ross Bros. & Montgomery, Oliver Building, Pittsburgh 22, Pennsylvania

